

JUVENILE COURT FOR THE PARISH OF JEFFERSON**GRETNA, LOUISIANA****FINANCIAL STATEMENTS****DECEMBER 31, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-30-08



Postlethwaite
& Netterville

A Professional Accounting Corporation

www.pncpa.com

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
REQUIRED SUPPLEMENTARY INFORMATION: Management Discussion and Analysis	3
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements (GWFS)	
Statement of Net Assets	9
Statement of Activities	10
Fund Financial Statements	
Governmental Funds:	
Balance Sheet	11
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	12
Statement of Revenues, Expenditures, and Changes in Fund Balances	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	14
Fiduciary Funds:	
Statement of Fiduciary Net Assets	15
Statement of Changes in Fiduciary Net Assets	16
Notes to Financial Statements	17
<u>REQUIRED SUPPLEMENTAL INFORMATION</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual – General Fund	29
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Judicial Expense Fund	30

SINGLE AUDIT SECTION

Schedule of Expenditures of Federal Awards	31
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	32
Independent Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	34
Schedule of Findings and Questioned Costs	36
Summary Schedule of Prior Audit Findings	37

Independent Auditors' Report

Judges of the Court
Juvenile Court for the Parish of Jefferson
Jefferson Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of Juvenile Court for the Parish of Jefferson, a component unit of Jefferson Parish, as of December 31, 2007, and for the year then ended, which collectively comprise the basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Juvenile Court for the Parish of Jefferson's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Juvenile Court for the Parish of Jefferson as of December 31, 2007 and the results of its operations for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2008 on our consideration of the Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 29 through 30 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Juvenile Court for the Parish of Jefferson's basic financial statements. The combining fund financial statement is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying financial schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, are fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

Postlethwaite + Netterville

Metairie, Louisiana
June 26, 2008

JUVENILE COURT FOR THE PARISH OF JEFFERSON

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2007

As financial management of Juvenile Court for the Parish of Jefferson (The "Court"), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Court for the fiscal year ending December 31, 2007. This discussion and analysis is designed to assist the reader on focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements taken as a whole.

FINANCIAL HIGHLIGHTS

Operating income for the Court was \$33,490 for the fiscal year 2007, a 214% increase from the prior year primarily related to increase in grant revenues in the general fund during the year. Net assets increased \$51,318 as net additions to capital assets less current year depreciation exceeded net decrease in government fund balance. The term "net assets" refers to the difference between assets and liabilities. At the close of the fiscal year 2007, the Court has net assets of \$2,516,598.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the Court using the integrated approach as prescribed by GASB Statement No. 34.

The Government-Wide Financial Statements present the financial picture of the Court from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business type activities separately. These statements include all assets of the Court as well as liabilities. Additionally, certain eliminations have occurred as prescribed by the statements in regards to interfund activity, payables, and receivables.

The Fund Financial Statements include statements for each of the three categories of activities—governmental, business-type, and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The Court has no business-type activities. The fiduciary activities are agency funds, which only report a balance sheet and do not have a measurement focus. Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities and Changes in Net Assets

The Statement of Net Assets and the Statement of Activities and Changes in Net Assets report information about the Court as a whole and about its activities. These statements include all assets and liabilities of the Court using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

JUVENILE COURT FOR THE PARISH OF JEFFERSON

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2007

These two statements report the Court's net assets and changes in them. Net assets are the difference between assets and liabilities, which is one way to measure the Court's financial health, or financial position. Over time, increases or decreases in the Court's net assets are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Assets and the Statement of Activities and Changes in Net Assets, we separate the Court activities as follows:

Governmental activities-Most of the Court's basic services are reported in this category, including the General Government, Judicial Expense, Drug Court Program, Mediation Program, Truancy Assessment and Services Center (TASC), Juvenile Assessment Center (JAC), Families in Need of Services (FINS) Program, and Court Appointed Special Advocates (CASA) Program. Parish appropriations, court costs, interest income, and state and federal grants finance these activities.

FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the most significant funds-not the Court as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money.

Governmental Funds

The Court's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Court's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Court's programs. The differences between the results in the Governmental Fund financial statements and those in the Government-Wide financial statements are explained in a reconciliation schedule following each Governmental Fund financial statement.

Fiduciary Funds

The Court's fiduciary activities are reported in separate Statements of Fiduciary Net Assets. We exclude these activities from the Court's other financial statements because the Court cannot use these assets to finance its operations. The Court is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

JUVENILE COURT FOR THE PARISH OF JEFFERSON

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2007

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Court's budgetary comparison schedules for the general fund and each major special revenue fund.

FINANCIAL ANALYSIS

Net assets may serve, over time, as a useful indicator of a government's financial position. The Court's total net assets increased from \$2,465,280 to \$2,516,598.

The most significant component of the Court's net assets is capital assets, net of accumulated depreciation, which totaled \$1,656,624 as of December 31, 2007. All investments were held with the Louisiana Asset Management Pool (LAMP). This account had a balance of \$446,829 as of December 31, 2007, which represents an \$80,488, or 22%, increase from the previous year. This increase was mainly the result of net transfers of \$60,000 into the LAMP fund made to replenish amounts withdrawn during the prior year. Accounts receivable totaled \$382,391 and included \$280,946 related to grant reimbursements as of December 31, 2007. Of this figure, \$193,300 or 69% is composed of accrued Title IV-E reimbursements for the quarter ending December 31, 2007.

Our analysis on the next page will focus on key elements of the Court's financial activities for the years ended December 31, 2007 and 2006.

JUVENILE COURT FOR THE PARISH OF JEFFERSON

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2007

Juvenile Court for the Parish of Jefferson

Net Assets

	2007	2006
Current and Other Assets	\$ 926,877	\$ 1,038,752
Capital Assets	1,656,624	1,560,232
Total Assets	2,583,501	2,598,984
Current Liabilities	48,253	129,504
Bond Deposits	18,650	4,200
Total Liabilities	66,903	133,704
Net Assets:		
Invested in Capital Assets		
Net of Debt	1,656,624	1,560,232
Restricted	804,105	768,208
Unrestricted	55,869	136,840
Total Net Assets	\$ 2,516,598	\$ 2,465,280

The Total Net Assets of the funds maintained by the Court's governmental activities increased by \$51,318 or 2.08%. The Restricted Net Assets increased by \$35,897 from \$768,208, as of December 31, 2006 to \$804,105, as of December 31, 2007.

Juvenile Court for the Parish of Jefferson

Change in Net Assets

	2007	2006
Operating Revenues	\$ 5,537,527	\$ 5,205,799
Operating Expenses	5,504,037	5,235,117
Income from Operations	33,490	(29,318)
Non-operating Revenues	17,828	28,833
Change in Net Assets	51,318	(485)
Net assets, beginning of year	2,465,280	2,465,765
Net assets, end of year	\$ 2,516,598	\$ 2,465,280

For the funds maintained by the Court, total revenues increased by \$331,728 or 6.37% from total revenues in 2006 of \$5,205,799 to total revenues of \$5,537,527 in 2007.

JUVENILE COURT FOR THE PARISH OF JEFFERSON

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2007

Budgetary Highlights

The original budget adopted by the Judicial Expense Fund was amended several times during the fiscal year for changes in various operating and administrative expenditures necessary for the operation of the Court. The favorable variance in the Judicial Expense Fund was primarily related to lower capital outlay expenditures than budgeted. The final actual revenues exceeded the budgeted revenues by \$21,140. The final actual expenditures exceeded final budgeted expenditures by 197,135 or 14.47% due to capital outlay expenditures that did not occur as budgeted.

The General Fund budget accounts for expenditures made on the Court's behalf by the Jefferson Parish Council, federal grant revenues, and consulting fees relating to Title IV-E that are not specifically allocated to the special revenue funds, and interest on investments. Budgets for expenditures made on behalf of the Court were amended downward by the Jefferson Parish Council due primarily to lower administrative costs incurred during the year than originally planned.

Capital Assets

The Court's investment in capital assets amounts to \$1,656,624, net of accumulated depreciation, as of December 31, 2007. Capital assets include building improvements, equipment, and furniture. Major capital asset events during the current fiscal year included the remodeling of the courthouse, the purchase of new office furniture, and computer upgrades. The Court is not responsible for any infrastructure.

Economic Outlook, FY 2008 Budgets, and Funding Issues

During 2007, management has requested two additional positions in technology and three deputy judicial administrators for the General Fund to be included in the allocation of costs from Jefferson Parish, which pays for the vast majority of the Court's personnel costs. Intergovernmental revenues are expected to only show a modest increase in 2008.

Title IV-E funding, which is allocated between the General Fund and the special revenue funds, except for the Judicial Expense Fund and Drug Court Fund, is expected to decline in 2008. The decline in funding is primarily related to a decrease in the State Foster Care eligibility percentage, which is a major determinant in the formula to compute the Title IV-E claim. Management projects total Title IV-E funding to decline approximately \$140,000 from \$890,000 in 2007 to approximately \$750,000 in 2008.

JUVENILE COURT FOR THE PARISH OF JEFFERSON

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2007

Temporary Assistance to Needy Families (TANF) funding, represents the major source of funds for CASA and Drug Court and is expected to remain unchanged in 2008. State funding for FINS is expected to remain unchanged as the current contract was renewed on equivalent terms as the previous contract with the State. Management is optimistic that funding for TASC will increase as the State Legislature debates on making it a permanent program from its current pilot program status.

Capital outlays are expected to be relatively unchanged in 2008, as a planned \$250,000 purchase for new HVAC equipment offsets reduced construction spending for Courthouse improvements made during 2007.

During 2007, the deficiency in revenues under expenditures is largely related to capital outlays which required the redemption of funds from the LAMP account. Given the outlook for a decrease in Title IV-E funds, without any significant revenues from other sources, it appears likely that the Court will need to redeem a significant amount of the remaining balance in the LAMP account and/or reduce program expenditures in order to fund planned capital outlays in 2008.

Requests for Information

This financial report is designed to provide a general overview of the Court's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to Dawn Palermo, Judicial Administrator, Juvenile Court for the Parish of Jefferson, Post Office Box 1900, Harvey, Louisiana 70059.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2007**

	<u>Governmental Activities</u>
<u>ASSETS:</u>	
Cash and cash equivalents	97,657
Investments	446,829
Receivables	382,391
Capital assets, net of accumulated depreciation	<u>1,656,624</u>
 Total assets	 <u>2,583,501</u>
 <u>LIABILITIES:</u>	
Accounts payable	48,253
Bond deposits	<u>18,650</u>
 Total liabilities	 <u>66,903</u>
 <u>NET ASSETS:</u>	
Invested in capital assets, net of related debt	1,656,624
Restricted	804,105
Unrestricted	<u>55,869</u>
 Total net assets	 <u><u>2,516,598</u></u>

The accompanying notes are an integral part of these financial statements.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETNA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007**

Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Assets	
		Operating Grants and Contributions	Governmental Activities	Total
Governmental activities:				
General	\$ 2,580,139	\$ 3,016,097	\$ 435,958	\$ 435,958
Judicial Expense	1,057,065	1,084,720	27,655	27,655
CASA Program	508,488	422,519	(85,969)	(85,969)
Truancy Assessment Center	572,113	596,068	23,955	23,955
Drug Court Program	214,558	164,451	(50,107)	(50,107)
Mediation Program	66,220	35,650	(30,570)	(30,570)
JAC Program	255,219	64,313	(190,906)	(190,906)
FINS Assistance Program	250,235	153,709	(96,526)	(96,526)
Total governmental activities	\$ 5,504,037	\$ 5,537,527	33,490	33,490
		General revenues:		
		Interest income	17,828	17,828
		Total general revenues	17,828	17,828
		Change in net assets	51,318	51,318
		Net assets - beginning	2,465,280	2,465,280
		Net assets - ending	2,516,598	2,516,598

The accompanying notes are an integral part of these financial statements.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2007

	General Fund	Judicial Expense Fund	CASA Fund	Tuancy Assessment Center Fund	Drug Court Expense Fund	FINS Assistance Center Fund	Mediation Fund	JAC Fund	Total Governmental Funds
ASSETS									
Cash and cash equivalents	\$ -	\$ 97,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,657
Investments	446,829	-	-	-	-	-	-	-	446,829
Accounts receivable	101,445	-	-	-	-	-	-	-	101,445
Grant receivable	-	83,452	56,712	63,035	16,533	35,159	7,944	18,111	280,946
Due from other funds	255,831	115,653	-	-	2,678	-	-	-	374,162
Total assets	\$ 804,105	\$ 296,762	\$ 56,712	\$ 63,035	\$ 19,211	\$ 35,159	\$ 7,944	\$ 18,111	\$ 1,301,039
LIABILITIES									
Accounts payable	\$ -	\$ 27,301	\$ -	\$ 13,094	\$ 2,678	\$ 1,438	\$ 2,100	\$ 1,642	\$ 48,253
Due to other funds	-	194,942	56,712	49,941	16,533	33,721	5,844	16,469	374,162
Bond deposits	-	18,650	-	-	-	-	-	-	18,650
Total liabilities	-	240,893	56,712	63,035	19,211	35,159	7,944	18,111	441,065
FUND BALANCES									
Reserved for:									
Building expansion	804,105	-	-	-	-	-	-	-	804,105
Unreserved	-	55,869	-	-	-	-	-	-	55,869
Total fund balances	804,105	55,869	-	-	-	-	-	-	859,974
Total liabilities and fund balances	\$ 804,105	\$ 296,762	\$ 56,712	\$ 63,035	\$ 19,211	\$ 35,159	\$ 7,944	\$ 18,111	\$ 1,301,039

The accompanying notes are an integral part of these financial statements.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2007**

Total governmental fund balances (page 11)	\$859,974
--	-----------

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets are not reported in the fund financial statements because they are not current financial resources, but they are reported in the statement of net assets.

<u>1,656,624</u>

Net assets of governmental activities

<u><u>\$2,516,598</u></u>

The accompanying notes are an integral part of these financial statements.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	General Fund	Judicial Expense Fund	CASA Fund	Truancy Assessment Center Fund	Drug Court Expense Fund	FINS Assistance Center Fund	Mediation Fund	JAC Fund	Total
REVENUES									
Costs, fees and fines	\$ -	\$ 1,084,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,084,720
Grant revenues	482,374	-	318,679	596,068	164,451	153,709	35,650	64,313	1,815,244
Intergovernmental	2,533,723	-	-	-	-	-	-	-	2,533,723
Interest income	17,828	-	-	-	-	-	-	-	17,828
Individual Donations	-	-	103,840	-	-	-	-	-	103,840
Total revenues	3,033,925	1,084,720	422,519	596,068	164,451	153,709	35,650	64,313	5,555,355
EXPENDITURES									
Current									
Administrative	2,533,723	812,387	-	-	-	-	-	-	3,346,110
Program	39,396	-	499,953	565,988	214,558	246,958	65,497	255,219	1,887,569
Intergovernmental transfer	-	100,000	-	-	-	-	-	-	100,000
Capital outlay	-	253,304	5,435	2,185	-	5,826	-	-	266,750
Total expenditures	2,573,119	1,165,691	505,388	568,173	214,558	252,784	65,497	255,219	5,600,429
Excess (deficiency) of revenues over (under) expenditures	460,806	(80,971)	(82,869)	27,895	(50,107)	(99,075)	(29,847)	(190,906)	(45,074)
OTHER FINANCING SOURCES (USES)									
Operating transfers in	-	-	82,869	(27,895)	50,107	99,075	29,847	190,906	452,804
Operating transfers out	(424,909)	-	-	(27,895)	-	-	-	-	(452,804)
Total other financing sources (uses)	(424,909)	-	82,869	(27,895)	50,107	99,075	29,847	190,906	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	35,897	(80,971)	-	-	-	-	-	-	(45,074)
Fund balances - beginning	768,208	136,840	-	-	-	-	-	-	905,048
Fund balances - ending	\$ 804,105	\$ 55,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 859,974

The accompanying notes are an integral part of these financial statements.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENT FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

Amounts reported for governmental activities in the statement of activities (page 13) are different because:

Net change in total fund balances per fund financial statements	(\$45,074)
---	------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their useful lives and reported as depreciation expense in the current period.

Capital outlay	266,750	
Depreciation expense	<u>(163,338)</u>	103,412

Gains and losses are not presented in the fund financial statements because they do not provide or use current financial resources, but they are presented in the statement of activities.

	<u>(7,020)</u>	
Change in net assets of governmental activities		<u><u>\$51,318</u></u>

The accompanying notes are an integral part of these financial statements.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
STATEMENT OF FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Support Enforcement Fund	Fees and Assessments Fund	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Escrowed funds	-	-	-
Bond deposits	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	-	-	-
	<hr/>	<hr/>	<hr/>
<u>LIABILITIES</u>			
Accounts payable	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
<u>NET ASSETS</u>			
Total net assets	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Support Enforcement Fund	Fees and Assessments Fund	Total
ADDITIONS			
Deposits:			
Support payments	\$ 2,044,059	\$ -	\$ 2,044,059
Other	43,463	4,035	47,498
Fines collected	-	30,257	30,257
Fees collected	23,113	247,784	270,897
Other adjustments	370	-	370
	<u>2,111,005</u>	<u>282,076</u>	<u>2,393,081</u>
 Total additions	 <u>2,111,005</u>	 <u>282,076</u>	 <u>2,393,081</u>
 DEDUCTIONS			
Deposits settled to:			
Litigants	2,065,611	3,944	2,069,555
Juvenile Court Judicial Expense Fund	39,570	107,143	146,713
Other agencies	5,824	170,989	176,813
	<u>2,111,005</u>	<u>282,076</u>	<u>2,393,081</u>
 Total deductions	 <u>2,111,005</u>	 <u>282,076</u>	 <u>2,393,081</u>
 Change in net assets	 -	 -	 -
 Net assets - beginning	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Net assets - ending	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Court are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the Court are discussed below.

The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

Reporting Entity

The Juvenile Court for the Parish of Jefferson (the Court) was established by Act 110 of the Extraordinary Session of the 1958 Legislature. There are presently three division in the Court (Divisions A, B, and C). The Court is of limited jurisdiction with exclusive original jurisdiction over certain proceedings involving children and adults as set forth in the Louisiana Children's Code. The Court's geographic jurisdiction consists of the Parish of Jefferson.

Governmental Accounting Standards Board (GASB) Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformity with GASB Statement 14, the financial statements of the Court include all funds and activities that are within the oversight responsibility of the Court.

The three judges of the Court are independently elected officials and are legally independent of the government of Jefferson Parish. Under the provisions of GASB Statement 14, the Court reports as a component unit of Jefferson Parish, as the Court is fiscally dependent on the Parish for determination and approval of a substantial portion of the Court's budget and funding.

Basic Financial Statements - Government-Wide Financial Statements (GWFS)

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Court as a whole, excluding fiduciary activities such as agency funds. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by the Parish of Jefferson's general revenues, from business-type activities, generally financed in whole, or in part, with fees charged to external customers.

The statement of activities reports expenses of a given function, offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basic Financial Statements - Government-Wide Financial Statements (GWFS) (continued)

portions of a fund, or summarize more than one fund, to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services, which report fees, fines, and forfeitures, and other charges to the users of the Court's services; (2) operating grants and contributions, which finance annual operating activities, including restricted investment income; and (3) capital grants and contributions, which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources, not properly included with program revenues, are reported as general revenues.

Basic Financial Statements Fund Financial Statements (FFS)

Fund financial statements are provided for governmental and fiduciary funds.

The Court reports the following fund types:

Governmental Funds

Governmental funds account for most of the Court's general activities. The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than net income. The following is a description of the major governmental funds of the Court:

The *General Fund* is the general operating fund of the entity, which accounts for all financial resources, except those required to be accounted for in other funds. Expenditures for salaries, wages, and benefits made by Jefferson Parish on behalf of the Court are recorded in accordance with GASB Statement No. 24, *On Behalf Payments*. Federal funding related to Title IV-E, not allocated specifically to other funds, is also accounted for in this fund.

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Court's Judicial Expense Fund, Drug Court Fund, Truancy Assessment Services Center (TASC) Fund, Court Appointed Special Advocate (CASA) Assistance Program Fund, Families in Need of Services (FINS) Assistance Program Fund, Juvenile Assessment Center (JAC) Program, and Mediation Program are special revenue funds.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basic Financial Statements Fund Financial Statements (FFS) (continued)

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The reporting focus is on net assets and changes in net assets. The funds accounted for in this category by the Court are the agency funds:

Agency funds account for assets held by the Court on behalf of others as their agent. Agency funds are custodial in nature, and do not involve measurement of results of operations. The Court's Support Enforcement Fund and Fees and Assessments Fund are the agency funds.

Basis of Accounting

Accrual

The governmental activities in the government-wide financial statements and the fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Revenues of the Court consist principally of fines and fees for services relating to court filings, grant revenues, and interest income. Fines and fees for services are recorded when received in cash because they are generally not measurable until actually received. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Interest income is recorded when earned.

Modified Accrual

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Court considers revenues to be available if they are collected within sixty days of the end of the fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Expenditures

The Court has only direct expenses relating to each program or activity and therefore no allocation of indirect expenses is deemed necessary.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Financing Sources (Uses)

Other financing sources (uses) consist of transfers between funds that are not expected to be repaid. These other financing sources (uses) are recognized at the time the underlying events occur.

When both restricted and unrestricted resources are available for use, it is the Court's policy to use restricted resources first, and then unrestricted resources as needed.

Budgets

The Court is required by state law to adopt an annual budget for its Judicial Expense Fund. The budget is presented on the modified accrual basis of accounting that is consistent with generally accepted accounting principles. Several amendments were made to the Judicial Expense Fund for the year due to significant changes to revenues received and expenditures incurred.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. The Court prepares a Judicial Expense Budget for the next succeeding fiscal year beginning January first. The operating budget includes proposed expenditures and the means of financing them.
2. The budget is presented at the January judges' meeting to obtain the judges approval.
3. A judicial expense budget adoption instrument accompanies the budget authorizing the implementation of the adopted budget.

The General Fund accounts for expenditures made on the Court's behalf by the Jefferson Parish Council. These expenditures are budgeted by the Council and expenditures are made at their discretion. There were several amendments to the General Fund budget during the year due to the reclassification of monies to be expended. During 2007, the Parish of Jefferson paid \$2,533,723 for administrative expenses of the Court.

Unexpended appropriations lapse at year-end. The Court does not utilize encumbrance accounting.

Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Court may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, which approximates fair value.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements, and capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Capital assets are recorded in the Statement of Net Assets and depreciation is recorded in the Statement of Activities. Since surplus assets are sold for an immaterial amount or scrapped when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 years
Building improvements – A/C units	20 years
Building improvements – Electrical	30 years
Land Improvements – Parking lots	20 years
Furniture and office equipment	5 years
Computer equipment	5 years

Accrued Annual and Sick Leave

Eligible employees of the Juvenile Court for the Parish of Jefferson accrue vacation leave at varying rates based on their years of continuous service. Employees hired before April 26, 1986, may carry forward a maximum of ninety unused vacation days from one year to the next. Employees hired after April 26, 1986, may carry forward a maximum of twenty days.

Employees of the Court accrue sick leave at a rate of 13 days per year. There is no limitation on the amount of sick leave that may be carried forward from one year to the next. At the time of retirement, sick leave can be converted into cash and/or service credit.

All eligible employees' salaries are paid by the Jefferson Parish Council and accruals relating to vacation leave are included in the financial statements of the Council.

Fund Equity

The governmental fund financial statements report reserved fund balances for amounts not appropriable for expenditures or are legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE B – CASH AND CASH EQUIVALENTS

At December 31, 2007, the Court has cash and cash equivalents (book balances) as follows:

Demand deposits	\$ 97,107
Cash on hand	<u>550</u>
Total	<u>\$ 97,657</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be insured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk is the risk that in the event of a bank failure, the Court's deposits may not be returned to it. At December 31, 2007, the carrying amount of the Court's deposits was \$97,107 and the bank balances were \$382,857. Of the bank balances \$100,000 was covered by federal depositor insurance and \$282,857 was covered by pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE B – CASH AND CASH EQUIVALENTS (Continued)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Court that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C – INVESTMENTS

Investments held at December 31, 2007 and 2006 were \$446,829 and \$366,341, respectively, in the Louisiana Asset Management Pool (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). In accordance with GASB Codification Section I50.126, the investment in LAMP at June 30, 2007 and 2006 is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and, therefore, not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955 (A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE D – CAPITAL ASSETS

The following is a summary of changes in governmental activities during the year:

	Balance at January 1, <u>2007</u>	<u>Additions</u>	<u>Retirements</u>	Balance at December 31, <u>2007</u>
Office furniture and equipment	\$ 913,237	\$ 65,636	\$ 39,548	\$ 939,325
Building improvements	<u>1,454,728</u>	<u>201,114</u>	<u>0</u>	<u>1,655,842</u>
Total	2,367,965	266,750	39,548	2,595,167
Accumulated Depreciation	<u>807,733</u>	<u>163,338</u>	<u>32,528</u>	<u>938,543</u>
 Fixed Assets, net	 <u>\$ 1,560,232</u>	 <u>\$ 103,412</u>	 <u>\$ 7,020</u>	 <u>\$ 1,656,624</u>

Depreciation expense for the twelve months ending December 31, 2007 totaled \$163,338.

Following is a schedule of depreciation amounts charged to each function in the statement of activities:

Judicial Expense	\$144,678
Truancy Assessment Center	6,125
CASA Program	8,535
Mediation Program	723
FINS Assistance Program	<u>3,277</u>
	<u>\$163,338</u>

Beginning in 2004, the Court refrained from adding to inventory furniture and fixtures with a cost of less than \$1,000.

NOTE E - LEASE AGREEMENTS

In February 2002, the Court entered into a two-year operating lease agreement with Avaya Communications for an upgrade to its existing phone system, which provided for monthly lease payments of \$1,489. In October 2003, the terms of this lease were renegotiated due to the expansion of the Court building. The Court entered into a five-year operating lease agreement with monthly lease payments of \$1,911 starting in November 2003. In 2004, additional phone lines were added increasing the monthly lease payments to \$2,136. These additions did not change the lease term which still runs until the year 2008.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE F- INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2007, is as follows:

Due to/from other funds:

	<u>Receivable</u>	<u>Payable</u>
General fund	\$ 255,831	\$ -
Special Revenue —Judicial Expense Fund	115,653	194,942
Special Revenue — CASA	-	56,712
Special Revenue —TASC	-	49,941
Special Revenue — Drug Court	2,678	16,533
Special Revenue — FINS	-	33,721
Special Revenue — Mediation	-	5,844
Special Revenue — JAC	<u>-</u>	<u>16,469</u>
Total	<u>\$ 374,162</u>	<u>\$ 374,162</u>

Due to/from other funds are the result of transfers between funds or collections made on behalf of one fund for another which are expected to be paid within one year.

Interfund transfers:

	<u>Transfers Out</u>	<u>Transfers In</u>
General fund	\$ 424,909	\$ -
Special Revenue — Drug Court	-	50,107
Special Revenue —TASC	27,895	-
Special Revenue — FINS	-	99,075
Special Revenue — CASA	-	82,869
Special Revenue — Mediation	-	29,847
Special Revenue — JAC	<u>-</u>	<u>190,906</u>
Total	<u>\$ 452,804</u>	<u>\$ 452,804</u>

Interfund transfers are made to supplement other funds' sources of revenues.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE G- PENSION PLANS

All eligible employees of the Court are members of the Parochial Employees' Retirement System of Louisiana, and the Employees' Retirement System of Jefferson Parish, Louisiana. All costs relating to pension contributions are paid by the Jefferson Parish Council. Therefore, such costs are not included in the accompanying financial statements, but are included in the financial statements of the Council.

NOTE H -EXPENSES OF THE COURT PAID BY OTHERS

The accompanying financial statements do not include certain portions of the Court's expenses paid directly by other governmental entities. The Judges of the Court receive compensation from the State of Louisiana Judicial Branch, at a rate determined by state statute. As these funds are paid directly to the members of the Court, the expenditure does not appear in these financial statements, but appears in the financial statements of the State of Louisiana.

Salaries, wages, and related benefits of Court employees, along with insurance and miscellaneous expenditures, are paid by Jefferson Parish. Payroll related expenditures represented \$2,491,552 of the \$2,533,723 paid by the Parish, on behalf of the Court, and are included in the accompanying financial statements of the General Fund as revenues and administrative expenditures in accordance with GASB Statement No. 24, *On Behalf Payments*.

NOTE I -CHILD SUPPORT COURT COSTS

The Court collects court costs under the provisions of the Louisiana Children's Code, specifically LSA-Ch. C. art. 405D. Under the provisions of this statute, effective July 31, 1995, the Court assesses and collects court costs equal to 5% of all periodic child support payments paid through the registry of the Court. These payments are made by the paying parents in addition to their normal child support payment. Effective April 1, 2000, this statute was amended and requires all child support payments to be sent to one central collection address in the State. Court costs are remitted to the Court from the State once a month for payments made on their behalf. For the year ending December 31, 2007, the Court received \$1,005,240 from the State in Child Support court costs.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE J - DONATED SERVICES

The CASA (Court Appointed Special Advocates) Program Fund of Juvenile Court is a specialized volunteer service. Advocates focus on the best interests of the abused and neglected children within the Juvenile Court System. The role of the volunteer advocate is to investigate the facts and circumstances of the case, report the facts in written form to the Court, monitor the child's situation and compliance with court orders and services, and advocate in the child's best interests. The value of these volunteer services is computed using the average pay for these services of \$10 per hour, as determined by the Program Director based on various grant applications through the national organization of CASA. In 2007, volunteer personnel worked 10,384 hours on cases. At the average hourly pay of \$10 per hour, this resulted in an estimated value of \$103,840 for volunteer services, which is reported as operational revenue and expense of the CASA fund in the Statement of Activities.

NOTE K - COOPERATIVE ENDEAVOR AGREEMENTS

On October 12, 1999, the Court entered into an agreement with the Parish of Jefferson for the development, implementation, and utilization of an assessment instrument, a data collection process, and a Truancy and Assessment Services Center. Under the terms of the agreement, the Court is to provide all necessary personnel and supplies to ensure the implementation of the assessment instrument development and utilization, and to establish TASC and provide for its implementation. This agreement was amended several times and the current agreement permits the use of these funds for broader purposes. Upon approval from the Council, this agreement was renewed for one additional year. The Court recorded revenue in the amount of \$78,501 under this agreement, which includes a receivable of \$5,998 at December 31, 2007.

NOTE L- ECONOMIC DEPENDENCY

Juvenile Court for the Parish of Jefferson receives the majority of its revenues from funds provided through the Parish of Jefferson, and the State of Louisiana. If significant budget cuts are made at the State or local level, the amount of funds the Court receives could be reduced significantly, with resultant adverse impact on its operations.

The Court receives federal and state grants to operate the TASC, CASA, Drug Court, Mediation, JAC and FINS programs. Should the amount of these grants be substantially reduced or discontinued, the operations of these programs will be correspondingly reduced or eliminated.

The Court is aware of no plans on the part of any other funding sources to significantly reduce funding for the year ending December 31, 2007.

NOTE M - RESERVED AND DESIGNATED FUND BALANCES

Meeting en banc the Judges of the Court have reserved the entire fund balance of \$804,105 of the General Fund for the improvements to the Court building.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE N - COMMITMENTS, INTERGOVERNMENTAL TRANSFERS

On February 18, 2003, the Court entered into a cooperative endeavor agreement with the Parish of Jefferson to assist in funding the purchase, by the Parish of Jefferson, of vacant land adjacent to the Juvenile Justice Complex, to enable future expansion of the Juvenile Court, as well as, for the purpose of planning, developing, expanding, constructing and improving present and future detention facilities and all other Juvenile Department facilities and services for Jefferson Parish. Under the terms of the agreement, the Court agreed to pay the Parish of Jefferson \$100,000 per year, for five years, beginning January 1, 2003. The Court paid the Parish of Jefferson \$100,000 under this agreement for the period ending December 31, 2007.

NOTE O - RECONCILIATION OF GRANT REVENUES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Total grant revenue per governmental fund statement	\$1,815,244
Prior year unobligated expenditures	(240,026)
State grants	(332,874)
Expenditures per Schedule of Expenditures of Federal Awards	<u>\$1,242,344</u>

JUVENILE COURT FOR THE PARISH OF JEFFERSON
 GRETN, LOUISIANA
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget			Variance Favorable (unfavorable)
	Original	Final	Actual	
Revenues:				
Grant revenue	\$ 97,242	\$ 97,242	\$ 482,374	\$ 385,132
Intergovernmental	2,381,353	2,568,453	2,533,723	(34,730)
Interest income	28,832	28,832	17,828	(11,004)
Total revenues	<u>2,507,427</u>	<u>2,694,527</u>	<u>3,033,925</u>	<u>339,398</u>
Expenditures:				
Current:				
Administrative	2,381,353	2,568,453	2,533,723	34,730
Program	75,000	75,000	39,396	35,604
Total expenditures	<u>2,456,353</u>	<u>2,643,453</u>	<u>2,573,119</u>	<u>70,334</u>
Excess (deficiency) of revenues over (under) expenditures	51,074	51,074	460,806	409,732
Other financing sources (uses):				
Operating transfers out	-	-	(424,909)	(424,909)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(424,909)</u>	<u>(424,909)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	51,074	51,074	35,897	(15,177)
Fund balance, beginning of year	768,208	768,208	768,208	-
Fund balance, end of year	<u>\$ 819,282</u>	<u>\$ 819,282</u>	<u>\$ 804,105</u>	<u>\$ (15,177)</u>

The notes to the financial statements are an integral part of this statement.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
 GRETNA, LOUISIANA
 JUDICIAL EXPENSE FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget			Variance Favorable (unfavorable)
	Original	Final	Actual	
Revenues:				
Costs, fees and fines	\$ 863,750	\$ 1,063,580	\$ 1,084,720	\$ 21,140
Total revenues	<u>863,750</u>	<u>1,063,580</u>	<u>1,084,720</u>	<u>21,140</u>
Expenditures:				
Current:				
Administrative	806,843	922,826	812,387	110,439
Intergovernment transfer	100,000	100,000	100,000	-
Capital outlay	<u>340,000</u>	<u>340,000</u>	<u>253,304</u>	<u>86,696</u>
Total expenditures	<u>1,246,843</u>	<u>1,362,826</u>	<u>1,165,691</u>	<u>197,135</u>
Excess (deficiency) of revenues over (under) expenditures	(383,093)	(299,246)	(80,971)	218,275
Fund balance, beginning of year	136,840	136,840	136,840	-
Fund balance, end of year	<u>\$ (246,253)</u>	<u>\$ (162,406)</u>	<u>\$ 55,869</u>	<u>\$ 218,275</u>

The notes to the financial statements are an integral part of this statement.

Schedule 2

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
GRETN, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2007**

<u>Funding Agencies/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Health and Human Services:</u>			
Passed through Louisiana Department of Social Services, Office of Community Services - Foster Care - Title IV-E	93.658	CFMS 623178 CFMS 640650	\$ 741,782 (M)
Passed through Louisiana Department of Social Services - Temporary Assistance for Needy Families (TANF)	93.558	None	365,477
Subrecipient of Louisiana State University and A&M College - Temporary Assistance for Needy Families (TANF)	93.558	642006/6934	82,126
Total U.S. Department of Health and Human Services			<u>1,189,385</u>
<u>U.S. Department of Justice</u>			
Subrecipient of Louisiana Commission on Law Enforcement and Administration of Criminal Justice - CASA - CVA	16.575	C05-7-009 C07-7-024	52,959
Total U.S. Department of Justice			<u>52,959</u>
Total Federal Awards			<u>\$ 1,242,344</u>

(M) - Represents a "Major" grant under OMB Circular A-133

Notes to the Schedule of Expenditures of Federal Awards

Note 1

This schedule of expenditures of federal awards includes the federal grant activity for the Juvenile Court of Jefferson Parish and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

See Auditors' Report.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Judges of the Court
Juvenile Court for the Parish of Jefferson
Jefferson Parish, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Juvenile Court for the Parish of Jefferson (the Court), as of and for the year ended December 31, 2007, which collectively comprise the Court's basic financial statements and have issued our report thereon dated June 26, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Court's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Court's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Court's financial statements that is more than inconsequential will not be prevented or detected by the Court's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Court's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the State of Louisiana Legislative Auditor's Office, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:313, this report is distributed by the Legislative Auditor as a public document.

Scott L. White & Nettenville

Metairie, Louisiana

June 26, 2008



Postlethwaite
& Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Judges of the Court
Juvenile Court for the Parish of Jefferson
Jefferson Parish, Louisiana

Compliance

We have audited the compliance of the Juvenile Court for the Parish of Jefferson (the Court) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2007. The Court's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Court's management. Our responsibility is to express an opinion on the Court's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Court's compliance with those requirements.

In our opinion, the Court, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

Internal Control Over Compliance

The management of the Court is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and

grants applicable to federal programs. In planning and performing our audit, we considered the Court's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Court's internal control over compliance.

A control deficiency in the Court's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Court's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Court's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Court's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as described above.

This report is intended solely for the information and use of management, State of Louisiana Legislative Auditor's Office, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:313, this report is distributed by the Legislative Auditor as a public document.

Robert Theriot & Metairie

Metairie, Louisiana
June 26, 2008

JUVENILE COURT FOR THE PARISH OF JEFFERSON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007

SUMMARY OF AUDITORS' RESULTS

(1) Financial Statements

(a) The type of auditor's report issued: unqualified opinion

(b) Internal control over financial reporting

Material weakness identified: no

Significant deficiency identified not considered to be material weakness: no

Noncompliance material to financial statements noted: no

(2) Federal Awards

(a) Internal control over major programs:

Material weakness identified: no

Significant deficiency identified not considered to be material weakness: no

(b) Type of auditor's report issued on compliance for major programs: unqualified

(c) Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a): no

(d) Identification of major programs:

United States Department of Health and Human Services – Foster Care – Title IV-E –
passed through Louisiana Department of Social Services (CFDA number 93.658)

(e) Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

(f) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: yes

(3) Findings Relating to the Financial Statements Reported in accordance with *Government Auditing Standards*: no

(4) Findings and Questioned Costs Relating to Federal Awards: no

(Continued)

JUVENILE COURT FOR THE PARISH OF JEFFERSON
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007

Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:

2006-1 Internal Control over Financial Reporting

Criteria:	The Court should be able to initiate, authorize, record, process, or report data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Court's financial statements that is more than inconsequential will not be prevented or detected by the Court's internal control.
Condition:	During the course of our audit procedures, we proposed significant adjusting entries to general ledger accounts.
Effect:	Our involvement with the financial reporting process was required in order to report the financial statements in accordance with generally accepted accounting principles.
Recommendation:	Management should consider contracting with a CPA to assist in the recording of transactions of the Court and the compilation of the financial statements.
Management's Response And Corrective Action Plan:	Management will commit to contracting with a third party CPA to assist with the accounting entries and the compilation of the financial statements.
Current status	This comment is resolved as the Court has contracted with a third party CPA to assist with the accounting entries and the compilation of the financial statements.

(Continued)

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Findings and Questioned Costs Relating to Federal Awards:

2006-1 See finding described on page 37 at 2006-1

2006-2 Department of Health and Human Services
Foster Care Title IV-E – CFDA No. 93.658
Grant No. CFMS No. 623178 – Fiscal year ended June 30, 2006

Condition and Criteria:	The quarterly reimbursement claims for the first and second quarters of the calendar year 2006 incorrectly reported the amount for the indirect costs for the Juvenile Court's administrative staff.
Effect:	Because of the failure to properly report the correct amount for the administrative staff's indirect costs, the amount the Juvenile Court received was in excess of the amount that the Juvenile Court should have received.
Cause:	The spreadsheet used to determine the amount of reimbursement was altered inadvertently.
Population and Items Tested:	The first and second quarters' reimbursement requests for the calendar year ending December 31, 2006 were selected for testing. The amount of reimbursements requested for these two quarters totaled \$373,026 and the amounts that should have been requested for reimbursement totaled \$358,808.
Questioned Costs	\$ 14,218
Recommendation:	The responsible staff for the submission of the reimbursement requests should be reminded as to which expenses should be reported for reimbursement. To reduce the chances of a spreadsheet being altered, we recommend that a master copy of the reimbursement requests be made. This master copy should be used each quarter to determine the amount of reimbursement instead of using the previous quarter's request as a template.
Management's Response And Corrective Action Plan:	Management will correct template links and retain master copy along with prior quarter's completed IV-E claim forms. Management will resubmit amended Federal claim forms to state of Louisiana to correct questioned cost.
Current status:	This comment is resolved as management has submitted an amended claim form to the State of Louisiana to correct the questioned cost.

(Continued)

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Findings and Questioned Costs Relating to Federal Awards (continued)

2006-3 Department of Health and Human Services

Foster Care Title IV-E – CFDA No. 93.658

Grant No. CFMS No. 640650 – Fiscal year ended June 30, 2007

Condition and Criteria:	The quarterly reimbursement claims for the third quarter of the calendar year 2006 incorrectly reported the amount for the indirect costs for the Juvenile Court's administrative staff.
Effect:	Because of the failure to properly report the correct amount for the administrative staff's indirect costs, the amount the Juvenile Court received was in excess of the amount that the Juvenile Court should have received.
Cause:	The spreadsheet used to determine the amount of reimbursement was altered inadvertently.
Population and Items Tested:	The third and fourth quarters' reimbursement requests for the calendar year ending December 31, 2006 were selected for testing. The amount of reimbursements requested for these two quarters totaled \$383,062 and the amounts that should have been requested for reimbursement totaled \$376,772.
Questioned Costs	\$ 6,290
Recommendation:	The responsible staff for the submission of the reimbursement requests should be reminded as to which expenses should be reported for reimbursement. To reduce the chances of a spreadsheet being altered, we recommend that a master copy of the reimbursement requests be made. This master copy should be used each quarter to determine the amount of reimbursement instead of using the previous quarter's request as a template.
Management's Response And Corrective Action Plan:	Management will correct template links and retain master copy along with prior quarter's completed IV-E claim forms. Management will resubmit amended Federal claim forms to state of Louisiana to correct questioned cost.
Current status:	This comment is resolved as management has submitted an amended claim form to the State of Louisiana to correct the questioned cost.

(Continued)

JUVENILE COURT FOR THE PARISH OF JEFFERSON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007

Findings and Questioned Costs Relating to Federal Awards (continued)

2006-4 Department of Health and Human Services
Temporary Assistance for Needy Families – CFDA No. 93.558
CASA of Jefferson – Fiscal year ended June 30, 2006

Condition and Criteria:	Employee Certifications regarding employees' salaries charged to TANF could not be verified.
Effect:	Noncompliance with TANF compliance requirements.
Cause:	Monthly time sheets detailing time spent on federally funded programs were not updated on a monthly basis from August 2005 through May 2006, and for the month of December 2006.
Population and Items Tested:	A review of 5 employees' time sheets for the months of April 2006 and November 2006 revealed that the time sheets for April were unable to be located.
Recommendation:	Employee certifications should be completed at least every six months to determine if the employees' salaries continue to be eligible for reimbursement from TANF.
Management's Response And Corrective Action Plan:	Management will complete employee certification semi-annually to determine TANF eligibility.
Current status:	This comment is resolved as management has obtained required certifications from employees working on the TANF program.

(Concluded)